Amendment to the Trust Fund Administration Arrangement between the Department for International Development of the Government of the United Kingdom of Great Britain and Northern Ireland and the International Bank for Reconstruction and Development and the International Development Association concerning the Multi-Donor Trust Fund for Public Expenditure Management and Peer-assisted Learning (PEMPAL) in the Europe and Central Asia Region (TF 070664)

Dear Mr. Sundstrom:

We refer to the Trust Fund Administration Arrangement (the “Arrangement”) between the Department for International Development of the Government of the United Kingdom of Great Britain and Northern Ireland (the “Donor”) and the International Bank for Reconstruction and Development (“IBRD”) and the International Development Association (“IDA”) (collectively the “Bank”) concerning the Public Expenditure Management and Peer-assisted Learning (PEMPAL) in the Europe and Central Asia Region Multi-Donor Trust Fund (the “Trust Fund”) (TF070664) dated October 27, 2006, as amended from time to time. We also refer to the understanding reached between the Donor and the Bank to amend certain provisions of the Arrangement.

Therefore, the Arrangement is hereby amended by replacing Part C of Annex 1 to the Arrangement in its entirety with the following:

“C. Categories of Expenditures

The categories of expenditure eligible for financing from the contribution are as follows:

(1) Associated Overheads
(2) Consultant Fees
(3) Contractual Services
(4) Extended Term Consultants
(5) Temporary Staff Costs
(6) Staff Costs without Indirects
(7) Travel Expenses
(8) Media and Workshop Costs
(9) Field Benefits
The foregoing expenditures may include the financing of taxes.”

Except as specifically amended herein, all other provisions the Arrangement remain in full force and effect.

Please confirm your agreement with the foregoing amendment, on behalf of the Donor, by signing, dating, and returning to us the enclosed copy of this Amendment Letter. Upon receipt by the Bank of the copy of this Amendment Letter countersigned by you, this amendment will become effective as of the date of the countersignature.

Sincerely,

INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT
INTERNATIONAL DEVELOPMENT ASSOCIATION

By /s/ Theodore O. Ahlers
Acting Vice President
Europe and Central Asia Region

AGREED:

GOVERNMENT OF THE UNITED KINGDOM OF
GREAT BRITAIN AND NORTHERN IRELAND
DEPARTMENT FOR INTERNATIONAL DEVELOPMENT

By /s Bo Sundstrom
Authorized Representative
Title: Head of Delivery and Results, Europe Department, DFID

Date: July 28, 2011